

SOUTHERN REGIONAL PLANNING AND
DEVELOPMENT

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TWENTY-FIVE YEARS AGO, the same year in which the first issue of the *Journal of Politics* appeared, the National Resources Planning Board was established by congressional action as part of the Executive Office of the President. The primary function of the Board as constituted in 1939 was to advise the President on matters of long-range policy. Another function was to stimulate interest and activity in planning, nationally and by states, regions, and local governments. The Board saw area planning as a responsibility shared by all levels of government, and the passing of a quarter of a century has served to make even clearer the intergovernmental character of planning.

In 1942 the National Resources Planning Board issued as one of a series a report on *Regional Planning in the Southeast*. The series, which in a sense was to be the swan song of the agency, placed great emphasis on a regional approach to the development of American resources and gave considered emphasis to the role that state planning must play in that process. The report for the Southeast directed attention to the activities and potential usefulness of the Southeastern Regional Planning Commission, an agency destined soon to disappear. It discussed also the activities of the various state planning agencies which had recently been organized and were functioning with assistance of various types from the National Resources Planning Board.

The state planning agencies of the 1940's were concerned with inventorying resources and with the collection of basic data over a wide range of subject fields. They addressed themselves also to problems of physical planning, such as the conservation of land and water resources, and to the formulation of public works programs. A few of the state planning agencies undertook studies of special problems in the economic and social fields, but none produced or even undertook to produce comprehensive state plans in an action framework.

The state planning agencies that survived World War II and the immediate post-war period turned their attention to providing technical assistance to local planning commissions and to industrial development. Research was retained as a function, but again little or no attention was given to comprehensive state planning.

Recently, the idea of state planning has been given new emphasis. This time, moreover, an effort is being made to fit planning into the framework of state administration, and a great deal of attention is being given to the place of the planning agency in the organizational structure. The case for a central planning agency as a staff arm of the governor has made progress and at the same time the need for decentralized planning by the operating departments of state government is recognized.

Planning is still not well established as a function of state government in the South—nor for that matter in any other part of the nation. Only the state of Hawaii seems to have produced an effective and comprehensive development plan. Some progress is being made in over-all state planning by certain other states, including Alaska, Delaware, California, New Jersey, New Mexico, Maryland, Minnesota, Pennsylvania, Wisconsin, and in the South, Tennessee. Perhaps others should be added to this list for there is new concern with state planning and a growing realization that some of the most important decisions in the field of economics and social development in the next decade or two must be made at the state capitols.

The developmental needs and opportunities of the Southern region, including those relating to the conservation and better utilization of its resources, lend emphasis to the importance of state planning. This is true whether the state action called for is that of implementing Federal programs, of metropolitan area adjustment, of authorizing or participating in the multi-purpose development of small watersheds or other subregions, or of meeting the special challenge presented by the Appalachian or Piedmont regions or by other major physiographic areas. State planning becomes a necessary complement to organized efforts to promote industrial development and is inherent in the decisions called for in comprehensive resources programs, however organized. Responsibility and the legal power to decide and act in many developmental situations rests squarely with the states—accordingly, even in cases where Federal grants-in-aid are involved, most of the program planning must be state planning.

The establishment of over-all planning as a function of state government presents organizational problems that vary somewhat from state to state. However, the general considerations noted and the point of view set out in a report by a special committee of the American Institute of Planners will bear repeating here:

To be effective state planning must meet the organizational as well as functional needs of present-day state government. This report does not lay down hard and fast rules as to how state planning should be organized. It does suggest principles of organization for state planning based on the general concept that the chief executive has the responsibility for formulating long-range policies and for directing programs to carry them out. Moreover, in many states the chief is becoming more and more the focal point for legislative leadership. The planning staff should be in a position to help him in preparing policy and program recommendations for administrative and legislative consideration.

Within these general concepts, the following principles of organization for state planning are suggested:

- 1) State planning must be an integral part of the administrative structure of state government.
- 2) The staff concerned with over-all state planning should be advisory to the chief executive. The staff should act at his direction in its relationships with the legislature and with individual state departments.
- 3) The director of planning must be acceptable to the chief executive and should be qualified by training and experience in state and regional planning. The trained technical staff should be within the career service.
- 4) An advisory commission may or may not be needed. If such a commission is created it should be advisory to the director of planning who takes full administrative responsibility for recommendations.¹

Planning thus is seen as a staff function designed to assist the governor in making decisions relative to policy formulation and to supply for his use the facts and analysis required in administration. State planning in the modern scheme of affairs takes its place along with budgeting, to which it is closely related. What programs the state spends money for and how much it spends along with the determination of priorities among programs and emphasis within programs are planning matters. It is in central policy formulation that the core function of state planning is executed; but it also has important responsibilities relating to general and capital improvement

¹The Drafting Committee members were A. J. Gray, Chairman, Edward L. Hopkins, L. L. Durisch, and E. David Stoloff. The complete report is printed in *The Journal of American Institute of Planners*, Vol. XXV, No. 4, November, 1959. See also the provocative comment on the report by Elton R. Andrews in the same issue.

programing and to the planning and programing carried on by operating or line departments.

The importance of planning in the future of the South—and particularly that of state planning—calls for a great deal of attention to structure and organization as well as to purpose and function. Properly organized and oriented state planning agencies can be a factor in all developmental programs, whether of Federal, state, or local origin, and regardless of whether the area of operation is region-wide, confined to the limits of one state, or to a portion of a state such as a small watershed or a metropolitan region. All functional and areal programs call for identifiable state goals, established priorities, and the achievement of balance among various activities. These requisites of sound long-range development are the products of the planning process.

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The Southern region is usually considered as made up of thirteen states; namely, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Arkansas, Louisiana, Texas, and Florida. The South is one of the major divisions of the nation set apart for purposes of study and analysis. The problems of the region have long been a matter of concern, and in 1938 President Franklin D. Roosevelt felt justified in characterizing the region as the nation's number one economic problem. Since 1938 the tempo of growth has picked up and the southern states have made considerable progress. They have, for example, made absolute gains in population, nonfarm employment, personal income, and per capita income during the period. In spite of these gains, for the South as a whole, the problems outlined in 1938 persist. They persist in terms of the uneven character of the gains, for not all parts of the South have shared in the progress that has been made. In the aggregate the region has suffered a steady decline in its share of the total population of the nation and in its share of national employment. The conclusion which emerges from a maze of statistics is that the South is one of the slow-growing parts of the nation. A key question this suggests is: Can the relationship of the people and their institutions to the natural resources of the South be altered by wise planning and by the will to action so as to move the region ahead at a faster rate? What are the strengths and weaknesses of the region's economy and how can both be taken into account in drawing up an action agenda for the South?

Fifty million people were living in the 13 southern states in mid 1962.² Over the 25-year period from 1937 to 1962 the population of this region increased by 43 percent—a rate equivalent to that for conterminous United States.³ In absolute numbers the region's increase of 15 million approximated the combined 1962 population of the states of Texas, Louisiana, and Arkansas. There were extreme variations in the pattern of growth of the individual states. During this 25-year period Florida experienced an increase of 219 percent; Texas and Virginia, 62 and 61 percent respectively. In contrast, Mississippi's gain was less than 1 percent, and Arkansas and West Virginia had population losses of 4 and 2 percent respectively.

The birth rate in the South is approaching that of the nation. In 1940, births to residents of the southern states were 25.0 per 1,000 population, whereas the national rate was 19.4. By 1950 the rate for the South was 27.4 against 24.1 for the nation, but in 1960 the rate had dropped to 24.7 compared to 23.6 in the nation. The birth rates for the eight Mountain states⁴ now exceed those of the South.

About one-half of the southern population live in metropolitan areas as compared to more than 65 percent in the country as a whole. Florida's Fort Lauderdale-Hollywood metropolitan area experienced the highest rate (264 percent) of in-migration during the 1950's of any of the nation's 212 metropolitan areas. Net out-migration from the southern states, however, numbered 1.4 million people in the 1950's and 2.1 million in the 1940's—combined, this number is equivalent to almost 10 percent of the 1940 population. In *Recent Southern Economic Development As Revealed by the Changing Structure of Employment*,⁵ Edgar S. Dunn, Jr. states that "The time is past when we can assume that the economic opportunity hypothesis alone is adequate to explain migration behavior. There is a substantial amount of migration taking place that is primarily amenity seeking." The challenge presented by out-migration is a complex one and those who would see the South retain its natural increase in population must direct their efforts not to one but to many fronts.

²U. S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 259.

³The United States excluding Hawaii and Alaska.

⁴Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

⁵University of Florida Monographs, Social Sciences, No. 14, Spring 1962.

The South now has an average per capita income of around 73 percent of that for the nation, and the per capita income of the Southern region is still the lowest of any major part of the United States. Moreover, the Southern states have experienced a reduction in their share of the nation's employment. As workers move out of agriculture, many of them are not able to find employment opportunity in nonfarm jobs in the South. Manufacturing employment increased about 15 percent in the region during the last decade, but the increase in trades and service occupations lagged behind national rates (20 percent compared with more than 30 percent). Employment in mining in the South declined sharply while transportation and construction registered only modest gains. In contrast employment in government, particularly in state and local government, has added substantial numbers of new jobs to the Southern economy in recent years.

In the last two decades there has been in the South a mass migration from agriculture to public service. Between 1940 and 1960 agricultural employment lost 2.4 million (nearly 60 percent) of its workers in the 13 states. During the same period public employment gained 1.2 million jobs (12.6 percent increase). As a result it is fair to characterize the shift as opening a new frontier in the government sector of the employment pattern.

The Manpower Report of the President, transmitted to Congress in March 1963, has this to say of the national trend in the field:

The changing structure of employment from manufacturing production to private and public services, may be seen from the singular fact that nearly two-thirds of the new jobs added to the economy in the past five years have been in state and local government, for the most part in teaching. We cannot accept this situation.⁶

This situation may generally be quite unacceptable, but it will be noted that the new governmental jobs are predominantly in the teaching field. In a region whose educational level both in quality and in number of years in school achieved by its adult population is well below national levels, an increase in the number of teachers must be viewed as necessary and desirable.

The commitment of the South to programs designed to achieve better utilization of resources most recently finds expression in terms

⁶U. S. President (Kennedy), *Manpower Report of the President and Report on Manpower Requirements, Resources, Utilization, and Training by Department of Labor*. Transmitted to Congress March 1963. Washington, Government Printing Office, 1963, p. xi.

of the quest for industrial development, or more realistically economic growth. The region now looks to industrial promotion in its effort to undo the mistake attributed to the year 1828 when the leadership of the South is said to have decided that its future was in agriculture. The year 1939 can be said to mark the date of general acceptance by the leadership of the South of the importance of industrialization. An examination of the messages of southern governors to the legislative bodies over the last 25 years discloses only a few instances in which the state executive failed to emphasize the need to move the state ahead industrially. Most of the messages pledged support to efforts to industrialize and proposed public action of some form or another to encourage economic growth.

Southern states are concerned about their "state image," and in all of them there are signs that the desire for industrial growth is a factor in modifying outmoded attitudes and long-cherished but irrelevant traditions. The quest for industry has led, for example, to the re-examination of tax systems, to the redirection of educational activities along vocational lines, to state support of research, and to the rearrangement of state-local relations. The need for non-farm employment finds its way into state conservation activities. Recreation programs are most often approached in their commercial aspects. The old saying about tourists being more profitable and easier to pick than cotton has its more serious implications. A reforestation program recently conducted in a number of southern states is presented to the public with the persuasive slogan "Plant Trees—Grow Jobs." At the local level the search for industry takes many forms, including governmental subsidies sometimes involving staggering industrial bond issues (for example, Cherokee, Alabama; population 1,349—industrial bond issue \$25 million).

The natural endowment of the South—its soils, climate, mineral deposits, and its water resources—gives variety both to problems and to developmental possibilities. The changing patterns of agriculture together with more adequate attention to problems of soil fertility, erosion, and other aspects of land management have increased farm production during a period when employment in farming has experienced marked decreases. The same principles of improved management have made the forests of the South a greatly improved regional asset. The better adjustment of the forest resource to agriculture and to industry is an understandable goal—a goal that is being achieved in many southern states.

Water is a regional resource of increasing importance. Like the soil and the timber, it has been used wastefully as though the supply were unlimited. Most of the South is a water abundant area, but there is now evidence that the demand for water for domestic use, for industry, for recreation, for irrigation, as well as for navigation and power means that water uses must be carefully planned and coordinated. Water is definitely establishing itself as a resource with uses ranging from domestic consumption to recreation.

Water technology has scored impressive gains in recent years, and the South is beginning to realize that it has a tremendous task of enlarging, conserving, and using wisely all available water resources. The job is one of creating public understanding and of providing the organizational arrangements—national, regional, and state—that will permit constructive action over the entire range of problems and opportunities presented by the water situation. Water adequacy in most parts of the Southern region for ages to come will involve human wisdom and institutional arrangements, including the ability to plan constructively, more than the limits nature has set for the resource.

Urbanization and industrial growth are introducing basic changes in resource use patterns. Among the new points of emphasis are space and locational requirements for industrial, commercial, residential, and recreational areas. A new highway pattern is removing vast areas from other uses; at the same time it is making larger areas more accessible for recreational, residential, and industrial use.

Governmental decisions regarding resource development are in the last analysis political decisions; economic considerations may, of course, be a factor in arriving at the necessary value judgments in support of a given course of action. The planning process has an active role to play in shaping resource policy in a changing South. The planning approach can help to clarify issues, provide a basis for allocation of public funds among programs, and help in securing the unified approach to resource development called for under present conditions. If, for example, an industrial plant by inadequate treatment of wastes will render a stream unfit for other purposes, the nature of the alternative uses of the flowing water and their relationship to the whole economy and to society generally should enter into the decision to tolerate or not to tolerate the conditions which may result from the plant location.

The South has actual and potential economic advantages which may well give it a higher relative economic position in the nation.⁷ Among these are various aspects of the natural environment including abundant water and forest resources, favorable climatic conditions, and important outdoor recreational opportunities. The agricultural economy of the South has in the past not utilized these advantages effectively; but as farms and farmers decrease in numbers, southern agriculture must become more efficient and must produce higher incomes for those remaining in agriculture. The new interstate highway system along with improved waterways and extended air service, combined with advancing technology, are encouraging industrial development and with it the rapid urbanization of a traditionally agricultural South.

The increased attention being given to the orderly development of public services and facilities and to educational programs are definite developmental advantages. The abundant labor supply, which seems somewhat reluctant to migrate, becomes an attraction to industry as educational levels are raised. Although conditions in the South seem favorable for relatively rapid economic growth, such growth is not a certainty. To a considerable extent the rate of progress will depend on national decisions and national economic progress, but it will also depend on human efforts and institutional factors within the region. It will require developmental planning and programming on a state and regional basis done with skill and imagination and on a large scale.

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The South provides in the Tennessee Valley program an example of area development which has attracted world-wide attention. The Act of 1933 for the first time in national experience, gave one agency, the Tennessee Valley Authority, responsibility for an entire river system in what were considered to be its principal public aspects: flood control, navigation, and hydro-electric development. TVA was also to fit the government-owned chemical plant facilities at Muscle Shoals into the needs of national defense as well as to the agricultural needs of the region. The agency was to cooperate with states and localities in studies and surveys for the "purpose of fostering an orderly and proper physical, economic, and social development" of the Tennessee Basin and adjoining territory.

⁷See *Region, Resources and Economic Growth*, Perloff, Harvey S., and others. Baltimore, The Johns Hopkins Press, 1960.

In addition to the concept of unified river improvement, the Act creating TVA reflected the idea of regional planning. President Franklin D. Roosevelt in his message to Congress called for the creation of an administrative agency "... charged with the broadest duty of planning for the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and its adjoining territory for the general, social, and economic welfare of the nation. This authority should be clothed with the necessary powers to carry these plans into effect."⁸ There was, however, no real discussion of planning by the Congress and no precedent for the type of regional planning envisaged by the President's message.

The Valley itself is made up of parts of seven southern states. It is bound together by no common administrative ties other than those of the Federal Government including the cohesive force supplied by the regional program fashioned by TVA. As early as 1936 TVA recorded its understanding and acceptance of the framework within which its developmental effort was to proceed:

The planning of the river's future is entrusted to the TVA. The planning of the Valley's future must be the democratic labor of many agencies and individuals, and final success is as much a matter of general initiative as of general consent⁹

The approach of TVA is regional, and its methods of relating the river improvements it constructs to the development of the entire watershed are cooperative. Most observers will agree that TVA has planned and carried out its direct activities rather well and that the unified development of the river system represents a major engineering achievement. The power program has proceeded in accordance with bold long-range plans that have correctly interpreted the growing needs for electricity. Navigation and flood control have been adequately covered in the development which has taken place. The greatest test of regionalism, as typified by TVA, centers in the cooperative procedures and programs which can be developed. It is the cooperative approach that gives the TVA experiment its distinctive character and which holds out the greatest promise of continuing regional progress.

The extent to which states, local government, and non-public entities have entered into the spirit and purpose of the program in

⁸Message of April 10, 1933 (73rd Congress, 1st Session, House Document 15, p 2).

⁹Annual Report of the Tennessee Valley Authority, 1936, p. 2.

the Tennessee Valley region is noteworthy. Nevertheless, as the fourth decade of TVA's activity begins, the need to intensify efforts to achieve cooperative planning and development can be clearly seen. Certain facilities, important in the growth of any region, have been supplied by the program—an improved waterway, a stabilized water supply for industrial and recreational uses, a flood-free shoreline, an adequate supply of low-cost electricity, high analysis fertilizers for building sound farm management practices, and technical assistance to states and local agencies in a score of subject fields. These activities must be supplemented by and related to a wide range of state and local governmental activity. In many cases utilization of the facilities provided by the Federal Government are dependent upon state and local action if they are to be major factors in regional progress. The responsibility for relating Federal programs and facilities to the general functions of state and local government in a comprehensive regional development effort rests mainly with the states. The future of the Tennessee Valley program, in particular, is dependent to a considerable extent upon the further development and extension of the theory and practice of sound planning and constructive action by the states in the region.¹⁰

The same problems of Federal-state-local relations exist in other river basins. Recently, the U. S. Study Commission, Southeast River Basins, and the U. S. Study Commission, Southwest River Basins—Texas completed the initial report phase of what, in each case, has been described as a new venture in cooperative planning to facilitate the optimum development of the land and water resources of major portions of the Southern region. While the Federal acts, which created the commissions, call for a comprehensive and coordinated plan for basin development, they do not contemplate the creation of any new permanent Federal developmental agencies of the type represented by TVA. The acts and the resulting reports rather place responsibility for coordination and integration of developmental activities with the states in their individual and collective capacities.¹¹ The developmental plans for the Arkansas-White

¹⁰See Menhinick, H. K. and Durisch, L. L., "Tennessee Valley Authority: Planning in Operation," *The Town Planning Review*, 24:116-145, July 1953.

¹¹The Delaware River Basin Compact, which received Federal approval in 1961, was a precedent creating effort to solve the problems of interstate basins by creating a new agency "which is at once a part of the government of each of the affected states and the United States Government." This pooling of legal

river system, the product of a Federal inter-agency committee working with representatives of the several states directly concerned, serve also to emphasize that the states must play an important part in basin development.

While the states need planning programs to participate effectively in the development of major river basins, such programs are equally urgent in the smaller watershed areas within the several states. The program of small watershed development undertaken by the Soil Conservation Service is designed to deal with water problems and related land-use problems in the smaller watersheds of the nation. The program makes use of state and locally organized committees—essentially areal planning agencies. In its tributary area development program TVA is extending to the upper reaches of the Tennessee River system the total program of integrated development of all resources, using small watersheds as the basis of activity organizations. The TVA tributary area program begins with an inventory of resources and problems undertaken by locally organized groups. Technicians from the states and from TVA assist in the inventory and appraisal, but their role is primarily that of advice and consultation. TVA does supply a technical water plan, but it is a water plan based on locally determined needs and objectives. The plans for the watershed are essentially locally developed plans.

The states have a major role to play in the development of tributary areas—a role that goes beyond technical assistance or the perfunctory attention they have been given to date. The state, and only the state, is in a position to determine priorities in state assistance as between local watersheds—all anxious for immediate development. As programs of local water control are merged with broader considerations of area development, the state must redirect and channel its services with the larger program objectives in view. The state is in a position to relate a watershed to the larger economic area of which it is a part and to the state as a whole. Finally, the organization, legal authorizations, and financing of watershed activities require state action. Procedures for small watershed devel-

authority, administrative talent, and resources of four state governments and of the Federal Government is discussed in:

Zimmerman, F. L., and Mitchell, W., "New Horizons on the Delaware," *State Government*, 36:157-165, Summer 1963. See also Grad, Frank, "Federal-State Compact, A New Experiment in Cooperative Federalism," *Columbia Law Review*, 63:825-855, May 1963.

opment are only now being developed, and the situation presents a real challenge to the "American talent for political and administrative invention"—state government must especially respond to that challenge.¹²

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In addition to watersheds and other resource-oriented areas, other economic regions emerge as planning and development units. Here again there is need to relate activities in the smaller areas to some statewide development plan. This is particularly important as the boundaries separating urban and resource areas become more and more blurred and indistinct. Furthermore, the same forces of industrialization and technological advance which are leading to the expansion of individual cities are also creating urbanizing regions made up of groups of cities. Urban and various resource areas are certain to be interdependent and should be planned together. The solution to problems arising out of resource utilization may be found in the jobs that can be developed in urbanizing areas.

The South has approximately 70 standard metropolitan areas as defined by the Bureau of the Census. Each has a core city with a population of 50,000 or more, surrounded by a fringe area in which urban type services are needed. Each metropolitan area presents a difficult and important planning and development problem—difficult due in large part to the lack of a general metropolitan government, important because it is here where almost all economic growth is taking place. The lack of a general government for metropolitan government to which service planning can be related is a serious handicap; and while attempts to remedy this situation have been made in many southern metropolitan areas, only three—Davidson County, Tennessee; Dade County, Florida; and East Baton Rouge Parish—have succeeded in their efforts to establish a form of metropolitan government. The success of metropolitan government is not yet fully established in any of these cases nor are the examples they present generally acceptable elsewhere.

In the absence of general metropolitan type government, planning becomes extremely difficult. Almost all of the southern states have enabling legislation of some type which would permit the creation of regional planning agencies. Despite such authorization, most of

¹²Durisch, L. L., and Lowry, R. E., "State Watershed Policy and Administration in Tennessee," *Public Administration Review*, 15:17-20, Winter 1955.

the metropolitan areas do not have regional planning agencies; those which are operative are dependent for the implementation of plans, not on one but on many local governments.

Planning for metropolitan areas can be strengthened by the adoption of positive state policies and programs. Such fields as transportation, recreation, water use, sanitation, education, welfare, and industrial promotion address themselves to state as well as to local action. Regional programs within a state must and should rely on state government with its complete areal coverage, broader powers, and superior financing to set the general stage for economic growth.

The national government has attempted to be helpful in encouraging regional planning by requiring certain plans and programs to be on an area-wide basis as a condition precedent to Federal grants-in-aid, Federal loans, and other assistance. The Federal Government in this connection has provided financial help and technical assistance to regional planning staffs. The Housing Act of 1954 authorizes matching funds to states to be used for community, state, and regional planning. Recent action in the field represents a growing national concern for the problems of the local areas and reflects the often expressed idea that the metropolitan regions are strong in Washington even though they may be weak in their own state capitols.

In view of the growth of cities in the South, it is important that state policies and programs be framed with the welfare of urban areas high among the factors considered. It has been too easy for the legislatures to view all cities and all urban areas with suspicion and distrust—especially has this been easy for un-reapportioned state legislative bodies in which rural areas are grossly over-represented. It is time for state programs to be devised and carried out by those who recognize the importance of cities, and perhaps even like them. The South is committed to an urban way of life and must become better adjusted to it.

Many states are giving attention to the planning and development of larger economic regions within the state, which may be made up of a number of watersheds and other resource areas and include perhaps a number of urban centers. Studies of the Carolina Piedmont, the great valley of eastern Tennessee, of eastern Kentucky, and of north Alabama are illustrative of this type of regional approach. Tennessee in particular is approaching state planning in

a series of well-conceived and related studies of major subdivisions of the state.

Statewide planning also appears to be needed for the successful operation of the Area Redevelopment Act, passed by the Congress in 1961. The Act is designed primarily to cope with the problem of "depressed areas" characterized by high and persistent unemployment. The Act recognizes that, while high level economic activity nationally and for major parts of the nation is a necessary condition, it is not sufficient to assure the growth and prosperity of all areas. It is recognized that the problem of depressed areas is a long-term one and will require long-term solutions.

The Area Redevelopment Act has been criticized for the extreme localism of its point of view. Counties are used to determine eligibility for ARA assistance. Each county requesting assistance is required to file economic development plans which are approved by the state before submission to Washington. An economic plan for a county, particularly for a depressed county, needs, however, to be related to a much larger area of potential employment and development. The "community-at-a-time" approach cannot result in effective or even meaningful developmental planning. It must be noted that the Area Redevelopment Administration, within the limits of its Act, is encouraging the wider view through the factor of state participation in the formulation of county economic development plans and of state review and approval of such plans. However, to date only Mississippi has submitted to ARA a developmental plan which includes the whole state. The Mississippi example should become the standard practice.

The Southern Appalachian Region is in terms of its low income and widespread unemployment or underemployment one of the major problem areas in the United States. It includes 80,000 square miles and parts of Kentucky, Tennessee, West Virginia, Virginia, Alabama, Georgia, and North Carolina. It is inhabited by 6 million people.

In 1960 a conference of the governors concerned with a somewhat larger Appalachian region, meeting at Annapolis, Maryland, recognized that a special planning and development effort was indicated. The problem was recognized as interstate in character addressing itself to the states collectively and in their individual capacities and to the Federal Government.

To serve as a planning and coordinating agency, the President's Joint State-Federal Committee on the Appalachian Region was set

up. Franklin D. Roosevelt, Jr., Under Secretary of Commerce, is chairman of this committee whose establishment is a recognition that a more comprehensive approach by the Federal Government is needed. Each of the states concerned has also been asked to review its planning and programing for the portion of Appalachia contained within its borders. The Area Redevelopment Administration is cooperating in the Appalachian effort, and funds from the Accelerated Public Works program and other sources are being applied in the implementation of plans. Out of the joint effort it is hoped that an effective plan for Appalachia will emerge—a plan which can be quickly translated into action.

The solution to the problems of Appalachia is not yet apparent.¹³ In the meantime Appalachia presents a major challenge to planning and to the theory and practice of induced economic development. The problem of a permanent administrative agency to devote special attention to Appalachian problems is still under consideration. At the current session of Congress (88th Congress, 2d Session) H.R. 7935, which calls for a "joint Federal-State Commission on Appalachia" to serve as a planning and development agency for the region, is receiving careful attention. The bill provides also for the establishment of a Federal coordinator to see that all programs of the Federal Government are consistent with the plan for over-all economic development of the region. An Appalachian Institute would be established to conduct research designed to further economic development and existing programs of Federal assistance would be accelerated. Regardless of Federal action, the states already are responsible for such a broad range of activities that comprehensive planning programs to provide a basis for state action and for cooperation with other states and with Federal agencies in the Appalachia region is a first order of business.

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The Committee of the South of the National Planning Association published in 1949 a study of the activities of planning commissions of southern states. The author, Dr. Albert Lepawsky, devoted a great deal of attention to the dual-purpose nature of the state agencies which had evolved over a 10 or 15-year period. He

¹³Levin, Melvin R., "What Do We Do With Depressed Areas?" *Iowa Business Digest*, 31:1-3, April 1960; Sufrin, Sidney C., "A Problem Prolonged Not Solved," *Challenge*, 11:8-10, July 1963.

then concluded that "the overriding question of organization continues to be that of associating units and personnel attempting to combine effectively the diverse duties inherent in the function of both development and planning."¹⁴ Dr. Lepawsky identified another problem which has since become more important; namely that of the place of the planning agency in the structure of state government and its relation to other staff units, particularly the budget agency. Greatly expanded activities in industrial promotion and a better understanding of the desirability of achieving both a comprehensive and balanced approach to resource development suggest some of the reasons why it is now considered desirable to place planning in the mainstream of state administration. An independent but isolated planning board, "non-political" in outlook, is unrealistic at a time when the end objective of so much governmental action is economic development.

Its relatively low income status makes it certain that the South will have less money available for state and local governmental services than other parts of the nation—this in spite of a tax effort equal to or in excess of that made elsewhere. Furthermore, the tasks of government in terms of children to be educated, aged and indigent to be cared for, and health problems to be met are greater than those encountered in any other major region in the United States. It is essential that the South get more value for its tax dollars if the region is to compete successfully for a larger share of the national income and employment. The planning process lends itself to the establishment of administrative goals and the determination of priorities in the expenditure of scarce governmental funds. Planning is a prime means of furthering coordination among programs at all levels of government and a very essential part of public administration.

It is becoming increasingly clear that governmental activities that affect economic development encompass the whole range of state programs and relationships. Economic development takes its place as one of the goals, and an important one, of state planning. On the other hand, highly specialized advertising and promotional effort geared to the attraction and expansion of industry is not state planning. Key problems today involve the relationship of the state planning agency to the leadership role of the governor and to the

¹⁴Lepawsky, Albert, *State Planning and Economic Development in the South*, Committee of the South, National Planning Association, 1949, p. 173.

part the process of planning can play in decision making at the highest administrative and legislative levels.

The rapidity of change in the South gives purpose and a sense of urgency to state planning. A new pattern of population distribution is rapidly taking form and the isolation of the rural areas is giving way to new transportation and employment factors. Problems of industrialization and urbanization are making obsolete the present organization of local government and are giving rise to new demands for governmental services which are now inadequately met. The revenue structure of the local units of government, their limited legal powers and restricted areal coverage, are everywhere posing questions to which the state must find answers in a conscious or unconscious application of the planning process. The results arrived at may either be sound and constructive or ineffective and sporadic, serving to compound the problems which planning should alleviate.

The South needs planning in order to realize the economic advantages it possesses and to overcome or minimize the handicaps under which it operates. The relative gains made by the region in per capita income as workers shift out of agriculture at a time when total agricultural production is increasing gives both the basis and the opportunity to plan. The continuation of this shift is governed in large part by nonfarm opportunities, but its continuation can bring the income of the South closer to the national average. Improvement in technology and the redistribution of population among rural and urban areas are producing a "likeness" among regions which place a high premium on the quality of the governmental institutions which a given region can create. The opportunities present in every region place a premium on planning which should proceed with both caution and optimism.

The South needs to foster the theory and philosophy of state planning in order to work effectively with the Federal programs operative in the region. The initiative for cooperative programs is not, or should not be, entirely with the Federal Government in that respect. A basic problem which confronted TVA in 1933, and which still confronts every agency which works on a regional basis, is to find ways to cooperate constructively with state agencies with which it shares developmental responsibility. State planning can devote major attention to the theory and practice of shared functions in resource development and provide a basis for and an approach to

the infinitely difficult tasks of intergovernmental cooperation and program coordination. In trying to weld an effective program in the resource development field, TVA recognized long ago the desirability in the Tennessee Valley of, not a *planned region*, but a region *that plans*. Properly organized and broadly oriented state and regional planning has an important role to play if the South is to utilize fully its resources in solving problems and capitalizing on opportunities.